

CHAPTER IV

MISCELLANEOUS KEMAEKS UPON INVESTMENTS

A FEW miscellaneous observations may be offered, some of which have already been implicitly or explicitly expressed: repetition, though wearisome at times, often adds to force of impression, and thus carries its own excuse.

1. In the purchase or sale of investments, the transactions should be carried out by a respectable stockbroker. The investor should give his instructions clearly and precisely in writing; the broker should be advised of the exact nature of the stock or share selected, and the price at which it is to be bought or sold—allowing, if need be, a small assigned margin of price either way. In lending money on security a preliminary agreement of conditions is required; these obviously should be most precisely expressed, and my own view is, that it is preferable to incur the cost of its preparation by a reputable solicitor, than to sustain the chance of loss or compensation through the employment (to which the ordinary man is astonishingly liable) of language which is not sufficiently guarded or denned.

2. In all business transactions, whatever be the character, honour and position of each contractor, written statements should be adopted in place of verbal agreements. The latter course is a fertile source of ultimate misunderstandings and misinterpretations; even on occasions where each person is simply anxious to deal with rectitude and reasonableness, a mere physical gesture at an interview, which would not be represented in a written document, may naturally and gravely affect the intended meaning of a statement. Or, if a preliminary agreement should be arranged

verbally, it should be